

**AMENDMENT 1 TO
DEVELOPER'S PUBLIC REPORT
FOR A CONDOMINIUM**

CONDOMINIUM PROJECT NAME:	KAHAKAPAO HOMESTEADS MAUKA CONDOMINIUM
PROJECT ADDRESS:	75 Ehu Road, Makawao, Maui, Hawaii 96768
REGISTRATION NUMBER:	6843 (Partial Conversion)
EFFECTIVE DATE OF REPORT:	June 3, 2010
THIS AMENDMENT:	<input checked="" type="checkbox"/> Must be read together with <input checked="" type="checkbox"/> Developer's Public Report dated <u>June 15, 2009</u> <input type="checkbox"/> Amended Report dated _____ <input type="checkbox"/> Supersedes all prior amendments: Includes all prior amendment(s) and <u>must</u> be read together with <input type="checkbox"/> Developer's Public Report dated _____ <input type="checkbox"/> Amended Report dated _____
DEVELOPER(S):	JOHN M. GUARIN, II KIMMIE S. OUCHI

Preparation of this Amendment

The Developer prepared this amendment pursuant to the Condominium Property Act, Section 514B-56, Hawaii Revised Statutes (HRS), as amended from time to time. Section 514B-56, HRS, requires that after the Commission has issued an effective date for the Developer's Public Report, if there are any changes, either material or pertinent changes, or both, regarding the information contained in or omitted from the Developer's Public Report, or if the developer desires to update or change the information set forth in the Developer's Public Report, the developer shall immediately submit to the Commission an amendment to the Developer's Public Report or an amended Developer's Public Report clearly reflecting the change, together with such supporting information as may be required by the Commission, to update the information contained in the Developer's Public Report.

The law defines "material change" as used in parts IV and V of Chapter 514B, HRS means any change that directly, substantially, and adversely affects the use or value of (1) A purchaser's unit or appurtenant limited common elements; or (2) Those amenities of the project available for the purchaser's use.

The law defines "pertinent change" to mean, as determined by the commission, a change not previously disclosed in the most recent public report that renders the information contained in the public report or in any disclosure statement inaccurate, including, but not limited to (1) The size, construction materials, location, or permitted use of a unit or its appurtenant limited common element; (2) The size, use, location, or construction materials of the common elements of the project; or (3) The common interest appurtenant to the unit. A pertinent change does not necessarily constitute a material change.

The filing of an amendment to the Developer's Public Report or an amended Developer's Public Report, in and of itself, shall not be grounds for a purchaser to cancel or rescind a sales contract. A purchaser's right to cancel or rescind a sales contract shall be governed by sections 514B-86 and 514B-87, HRS, the terms and conditions of the purchaser's contract for sale, and applicable common law.

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This Amendment has not been prepared or issued by the Real Estate Commission or any other governmental agency. The issuance by the Commission of an effective date for this amendment to the Developer's Public Report (1) does not mean that the Commission approves or disapproves of the project; (2) does not mean that the Commission thinks that either all material facts, material changes, or pertinent changes about the project have been fully or adequately disclosed; and (3) is not the Commission's judgment of the value or merits of the project.

The law defines "material facts" to mean any fact, defect, or condition, past or present that to a reasonable person, would be expected to measurably affect the value of the project, unit, or property being offered or proposed to be offered for sale.

This amendment may be used by the Developer for promotional purposes only if it is used with the last Developer's Public Report in its entirety.

Prospective purchasers and purchasers are encouraged to read this amendment carefully and to seek professional advice.

Summary of Changes from Earlier Developer's Public Report are Described Beginning on the Next Page

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Summary of Changes from Earlier Developer's Public Report:

This summary contains a general description of the changes, if any, made by the developer since the last Developer's Public Report was issued an effective date. It is not necessarily all inclusive. Prospective purchasers and purchasers must read this amendment together with the last Developer's Public Report with the effective date as noted on the top of page 1 if they wish to know the specific changes that have been made.

Changes made are as follows (include a description of what the change is and page number and or exhibit alphabet or number; additional pages may be used):

1. First Amendment to Declaration and Condominium Map. The Declaration of Condominium Property Regime and Condominium Map No. 4805 were amended pursuant to that certain First Amendment to Declaration of Condominium Property Regime and Condominium Map No. 4805, dated April 5, 2010, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2010-047514. Pursuant to said First Amendment, the following changes have been made:
 - a. Amendment of Exhibit "A" to Declaration. Exhibit "A" to the said Declaration describing the project's Land has been updated and replaced in its entirety with the Exhibit "A" attached to the said First Amendment.
 - b. Amendment of Condominium Map. The Condominium Map was amended to delete the Site Plan and replace in its entirety with the Site Plan recorded concurrently with the said First Amendment, together with a surveyor's certification regarding the amended sheet pursuant to HRS, §514B-34.
 2. Revisions to Public Report. In accordance with the said First Amendment, the following revisions have been made to the Public Report:
 - a. Section 3.1 on Page 10 of the Developer's Public Report has been updated to reflect the recording information for the said First Amendment. The title report for the Project has also been updated as of May 7, 2010 with the recording information of the Declaration of Landscape and Use Easement, dated March 12, 2010, recorded as Document No. 2010-036544, and said First Amendment. Accordingly, Section 1.12 on Page 5 of the Public Report and Exhibit "C" to the Public Report describing encumbrances against title have also been updated.
 - b. The updated title report of May 7, 2010, also revealed that (1) the Mortgage dated December 1, 2006, as Document No. 2006-223204 was paid off and removed as an encumbrance; and (2) the Declaration of Landscape and Use Easement, dated March 12, 2010, recorded as Document No. 2010-036544, was also added as a "Together With" paragraph in the Land Description found in Exhibit "B". Accordingly, Section 5.3 on Page 13 of the Public Report and Exhibit "B" to the Public Report describing the land description have also been updated.
- The revised pages and exhibits are attached to this Amendment, supersede the versions previously submitted, and are incorporated into the Public Report in their entirety.

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Changes continued:

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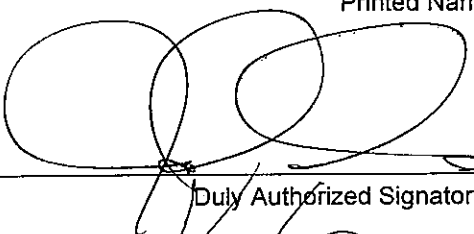
The Developer declares subject to the penalties set forth in Section 514B-69, HRS that this project continues to conform to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project is located, all in accordance with Sections 514B-5 and 32(a) (13), HRS.

For any conversion, if any variances have been granted, they are specified in Section 1.14 of this report as amended, and, if purchaser deposits are to be used by the Developer to cure any violations of zoning, permitting requirements or rules of the county in which the project is located, the violation is specified in Section 1.15 of this report as amended, along with the requirements to cure any violation, and Section 5.5 specifies the date by which the cure will be completed.

The Developer hereby certifies that all the information contained in this report as amended and the exhibits attached to this report (if any) as amended and all documents to be furnished by the Developer to purchasers concerning the project have been reviewed by the Developer and are, to the best of the Developer's knowledge, information and belief, true, correct and complete. The Developer hereby agrees promptly to amend this report as amended to report and include either or all material facts, material or pertinent changes to any information contained in or omitted from this report and to file annually a report to update the material contained in this report as amended at least 30 days prior to the anniversary date of the effective date of this report.

JOHN M. GUARIN, II and KIMMIE S. OUCHI

Printed Name of Developer



Duly Authorized Signatory*

4/5/10

Date

JOHN M. GUARIN, II and KIMMIE S. OUCHI

Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, County of Maui

Planning Department, County of Maui

***Must be signed for a corporation by an officer; for a partnership or limited liability partnership (LLP) by the general partner; for a limited liability company (LLC) by the manager or an authorized member; and for an individual by the individual.**

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1.9 Common Elements

Common Elements: Common elements are those parts of the condominium project other than the individual units and any other real estate for the benefit of unit owners. Although the common elements are owned jointly by all unit owners, those portions of the common elements that are designated as limited common elements (see Section 1.10 below) may be used only by those units to which they are assigned. In addition to the common facilities described in Section 1.8 above, the common elements for this project, as described in the Declaration, are set forth below.

Described in Exhibit "B".

Described as follows:

The land described in Exhibit "B" attached hereto.

Common Element	Number
Elevators	0
Stairways	0
Trash Chutes	0

1.10 Limited Common Elements

Limited Common Elements: A limited common element is a portion of the common elements that is reserved for the exclusive use of one or more but fewer than all units in the project.

Described in Exhibit _____.

Described as follows:

The limited common elements are the land area as shown on the Condominium Map assigned to that particular unit.

1.11 Special Use Restrictions

The Declaration and Bylaws may contain restrictions on the use and occupancy of the units. Restrictions for this project include, but are not limited to, those described below.

<input type="checkbox"/>	Pets:
<input type="checkbox"/>	Number of Occupants:
<input checked="" type="checkbox"/>	Other: See page 5a attached hereto.
<input type="checkbox"/>	There are no special use restrictions.

1.12 Encumbrances Against Title

An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of a unit in the project. Encumbrances shown may include blanket liens which will be released prior to conveyance of a unit (see Section 5.3 on Blanket Liens).

Exhibit "C" describes the encumbrances against title contained in the title report described below.

Date of the title report: May 7, 2010

Company that issued the title report: Fidelity National Title & Escrow of Hawaii, Inc.

3. CREATION OF THE CONDOMINIUM AND CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances (Regular System) or filing in the Office of the Assistant Registrar of the Land Court, or both, a Declaration of Condominium Property Regime, a Condominium Map and the Bylaws of the Association of Unit Owners. The Condominium Property Act (Chapter 514B, HRS), the Declaration, Bylaws and House Rules control the rights and obligations of the unit owners with respect to the project and the common elements, to each other, and to their respective units.

3.1 Declaration of Condominium Property Regime

The Declaration of Condominium Property Regime contains a description of the land, buildings, units, common interests, common elements, limited common elements, and other information relating to the condominium project.

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	May 15, 2009	2009-080845

Amendments to Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number
First Amendment to Declaration of Condominium Property Regime and Condominium Map No. 4805	April 5, 2010	2010-047514

3.2 Bylaws of the Association of Unit Owners

The Bylaws of the Association of Unit Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Unit Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters that affect how the condominium project will be governed.

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	June 1, 2009	2009-088078

Amendments to Bylaws of the Association of Unit Owners

Land Court or Bureau of Conveyances	Date of Document	Document Number

3.3 Condominium Map

The Condominium Map contains a site plan and floor plans, elevations and layout of the condominium project. It also shows the floor plan, unit number and dimensions of each unit.

Land Court Map Number	
Bureau of Conveyances Map Number	4805
Dates of Recordation of Amendments to the Condominium Map: Recorded on April 9, 2010.	

5. SALES DOCUMENTS

5.1 Sales Documents Filed with the Real Estate Commission

<input checked="" type="checkbox"/>	Specimen Sales Contract Exhibit "F" contains a summary of the pertinent provisions of the sales contract. Including but not limited to any rights reserved by the Developer.
<input checked="" type="checkbox"/>	Escrow Agreement dated: May 20, 2009 Name of Escrow Company: Fidelity National Title & Escrow of Hawaii, Inc. Exhibit "G" contains a summary of the pertinent provisions of the escrow agreement.
<input type="checkbox"/>	Other:

5.2 Sales to Owner-Occupants

If this project contains three or more residential units, the Developer shall designate at least fifty percent (50%) of the units for sale to Owner-Occupants.

<input type="checkbox"/>	The sales of units in this project are subject to the Owner-Occupant requirements of Chapter 514B.
<input type="checkbox"/>	Developer has designated the units for sale to Owner-Occupants in this report. See Exhibit _____.
<input type="checkbox"/>	Developer has or will designate the units for sale to Owner-Occupants by publication.

5.3 Blanket Liens

Blanket Liens: A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project or more than one unit that secures some type of monetary debt (such as a loan) or other obligation. Blanket liens (except for improvement district or utility assessments) must be released as to a unit before the developer conveys the unit to a purchaser. The purchaser's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the unit to the purchaser.

<input type="checkbox"/>	There are <u>no blanket liens</u> affecting title to the individual units.
<input checked="" type="checkbox"/>	There are <u>blanket liens</u> that may affect title to the individual units.

<u>Type of Lien</u>	Effect on Purchaser's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance

5.4 Construction Warranties

Construction Warranties: Warranties for individual units and the common elements, including the beginning and ending dates for each warranty (or the method of calculating them), are as set forth below:

Building and Other Improvements: None
Appliances: None

EXHIBIT "B"

Land Description

Being Lot 2-C of the BKJK Subdivision, being a portion of Lot 2, being also a portion of Grant 7943 to Joe M. Tavares, situated at Makawao, Maui, Hawaii, and identified by Tax Map Key No. (2) 2-4-013-218.

Beginning at the westerly corner of this parcel of land, being the southerly corner of Lot 2-B of the BKJK Subdivision, and being also a point on the northeasterly side of Ehu Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "Piipholo" being 4,370.29 feet south and 1,392.59 feet east and running by azimuths measured clockwise from true South; thence:

1. 232° 36' 53" 416.29 feet along Lot 2-B of this subdivision; thence
2. 286° 15' 249.82 feet along Lot 1; thence,
3. 54° 45' 572.09 feet along a portion of Grant 8024 (TMK (2) 2-4-013-188), thence,
4. 144° 56' 180.00 feet along Ehu Road to the point of beginning and containing an area of 2.143 acres, more or less.

Together with the terms, covenants, restrictions and conditions as contained in Declaration of Protective Covenants and Restrictions dated February 9, 2009, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2009-020920.

Together also with the terms, covenants, restrictions and conditions as contained in Declaration of Easement for Electrical Facilities dated February 9, 2009, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2009-020921.

Together also with an easement for landscaping and use purposes over a portion of Lot 2-B, designated as Easement "LU-1", containing an area of 319 square feet, more or less, as set forth and described in Declaration of Landscape and Use Easement dated March 12, 2010, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2010-036545.

Being a portion of the premises conveyed to Developers by Quitclaim Deed executed on March 9, 2005, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2005-050594.

EXHIBIT "C"

Encumbrances Against Title

SUBJECT, HOWEVER, to the following:

1. Real property taxes which may be due and owing. Reference is made to the Tax Assessor's Office, County of Maui.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. Right-of-Entry to Board of Water Supply of the County of Maui dated September 18, 1992, and recorded in the said Bureau of Conveyances as Document No. 93-075101, granting the right of entry for the purpose and duration of the construction of the Lower Kula Water Treatment System, Part A.
4. Covenants, conditions and restrictions as set forth in the Hold Harmless Agreement dated July 3, 1993, and recorded in the said Bureau of Conveyances as Document No. 93-126691.
5. Covenants, conditions and restrictions contained in Unilateral Agreement and Declaration for Construction of a Farm Dwelling on Lands Zoned County Agricultural District or Designated State Agricultural District dated March 18, 2004, and recorded in the said Bureau of Conveyances as Document No. 2004-077035.
6. Covenants, conditions and restrictions contained in Agreement for Allocation of Future Subdivision Potential dated June 25, 2004, and recorded in the said Bureau of Conveyances as Document No. 2004-151629.
7. Covenants, conditions and restrictions contained in Subdivision Agreement (Agricultural Use) dated June 25, 2004, and recorded in the said Bureau of Conveyances as Document No. 2004-151630.
8. Covenants, conditions and restrictions contained in Subdivision Agreement (Three Lots or Less) dated January 24, 2005, and recorded in the said Bureau of Conveyances as Document No. 2005-052453.
9. Covenants, conditions and restrictions contained in Agreement for Allocation of Future Subdivision Potential dated January 24, 2005, and recorded in the said Bureau of Conveyances as Document No. 2005-052454.
10. Covenants, conditions and restrictions contained in Subdivision Agreement (Agricultural Use) dated March 11, 2005, and recorded in the said Bureau of Conveyances as Document No. 2005-145248.
11. The following qualifying language applies to any and all covenants, conditions and restrictions (CC&R's) set forth in the numbered items above:

But omitting any covenants or restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law.

12. Easement to Maui Electric Company, Limited, a Hawaii corporation, and Hawaiian Telcom, Inc., (formerly known as Verizon Hawaii, Inc. formerly known as GTE Hawaiian Telephone Company Incorporated), a Hawaii corporation, dated March 17, 2006, and recorded in the said Bureau of Conveyances as Document No. 2006-051652, for utility purposes.
13. Covenants, conditions and restrictions contained in Declaration of Easements for Fire Protection Facilities, dated February 9, 2009, recorded in the Bureau of Conveyances as Document No. 2009-020922.
14. Easement "F-4" for private fire protection purposes, containing an area of 2,590 square feet, more or less in favor of Lot 2-A and Lot 2-B.
15. Covenants, conditions and restrictions contained in Bylaws of the Lot 2 Association, Inc., dated February 27, 2009, recorded in the Bureau of Conveyances as Document No. 2009-032768.
16. Covenants, conditions and restrictions contained in Declaration of Utility Easements, dated May 15, 2009, recorded in the Bureau of Conveyances as Document No. 2009-080844.
17. Terms and provisions contained in Declaration of Condominium Property Regime of Kahakapao Homesteads Mauka Condominium, dated May 15, 2009, recorded in said Bureau of Conveyances as Document No. 2009-080845, and as the same may hereafter be further amended in accordance with law or with said Declaration. (Project covered by Condominium Map No. 4805.)

Said Declaration of Condominium Property Regime of Kahakapao Homesteads Mauka Condominium was amended by Kahakapao Homesteads Mauka Condominium First Amendment to Declaration of Condominium Property Regime and Condominium Map No. 4805, dated April 5, 2010, recorded in said Bureau of Conveyances as Document No. 2010-047514.
18. Terms and provisions contained in Bylaws of the Association of Unit Owners of the Condominium Project known as "Kahakapao Homesteads Mauka Condominium" dated June 1, 2009, recorded in said Bureau of Conveyances as Document No. 2009-088078, as the same may hereafter be amended.
19. Covenants, conditions and restrictions contained in Declaration of Landscape and Use Easement, dated March 12, 2010, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2010-036544.